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## TPM Consultants

**February 2026**

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# Message from the Founder

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The last year has seen significant upheaval in international trade. The U.S. tariffs and frequent changes in trade policies have ushered an era of uncertainty, in the current geopolitical environment. Several jurisdictions have started to take steps towards protecting their domestic industries. The U.S. has been joined by Mexico in imposition of tariffs, with India now facing upto 50% tariffs in Mexico as well. The CBAM introduced by the European Union is an additional step in this direction.

However, the latter half of the year particularly saw India actually taking a conscious step away from protecting domestic manufacturing. While the Government had earlier introduced a number of Quality Control Orders earlier, the last year saw a turnaround in these policies, with many of these Orders being withdrawn. Further, the Government of late has not accepted recommendations for implementation of trade remedial measures as well.

In a time of increasing unpredictability in international trade policies, it is imperative that the industry has clarity with regard to steps being taken in India and globally. As our newsletter enters its seventh year, we will continue to ensure that the industry has assured access to information that most affects their business interests, insofar as international trade is concerned. We welcome your feedback to help us achieve this objective to your satisfaction.

- Mr. A. K. Gupta  
Founder and Managing Director

# Key Highlights

## Indian Updates

### **European Union and India agree upon the “Mother of all Deals” (26 Jan)**

European Union and India have concluded their landmark free trade agreement, which has been reported as their most ambitious economic partnership. The Agreement comprehensively covers extensive tariff liberalisation and market access across a wide range of goods and services. The highlights of the proposed Agreement are given below.

Tariff elimination / reduction for trade in goods: The Agreement provides substantial, immediate and phased duty elimination. India has gained preferential access to the European market, with 70.4% tariff lines enjoying immediate duty elimination, duty being phased out on 20.3% tariff lines over a period of upto 5 years and 6.1% tariff lines receiving tariff reduction, with certain other products being subjected to tariff rate quotas. Meanwhile, India has offered immediate duty elimination on 49.6% tariff lines, duty being phased out on 39.5% tariff lines over a period of upto 10 years and reduced tariffs on 3% tariff lines, with certain other products being subjected to tariff rate quotas.

### Sector wise gains for India:

- Preferential market access for agricultural exports
- Preferential market access for engineering goods
- Sectors like textiles, leather, footwear, sports goods, toys, and gems and jewellery will enjoy tariff elimination
- Preferential access for Indian marine exports with reduced tariffs of up to 26%.
- Reduced tariff of 6.7% for medical instruments, appliances, and vital supplies
- Preferential market access for gems and jewellery sector
- Zero duty access for textile and clothing sector
- Preferential access for plastic and rubber industries
- Zero duty on 97.5% of Indian chemical exports
- Zero duty access for Indian exports of minerals
- Lower duties of up to 10.5% on Indian wooden, bamboo, and handcrafted furniture

Product Specific Rules: The Product Specific Rules (PSRs) are balanced, while providing for adequate flexibility to source inputs from global value chains. Further, the FTA will facilitate ease of doing business by reducing the time and associated cost of compliance for Indian exporters by allowing self-certification through a Statement on Origin.

Digital Trade: The Agreement provides for deeper cooperation on digital trade. Broader and deeper commitments have been secured from the EU across 144 services sub-sectors, including IT/ITeS, professional services, education, and other business services. On the other hand, India has offered commitments on 102 subsectors, which cover European priorities such as professional, business, telecommunications, maritime, financial, and environmental services.

Intellectual Property: The FTA reinforces intellectual property protections provided under TRIPS Agreement, affirms Doha Declaration and recognises the importance of digital libraries, specifically the Traditional Knowledge Digital Library project initiated by India.

Strengthening SPS and TBT: The FTA introduces enhanced cooperation on Sanitary and Phyto Sanitary and Technical Barriers to Trade matters. The Agreement reduces trade barriers, facilitates smoother market access, and strengthens regulatory predictability for exporters.

### **Union Budget 2026 – Sales from SEZ units to Domestic Tariff Area at concessional duty rates (01 Feb)**

The Ministry of Finance has sought to address the concerns regarding utilization of capacities by SEZ units, due to global trade disruptions. As a special one-time measure, eligible manufacturing units in SEZs will be allowed to sell to the Domestic Tariff Area (DTA) at concessional rates of duty. The quantity of such sales will be limited to a prescribed proportion of their exports. Necessary regulatory changes will be undertaken to operationalise these measures while ensuring level-playing field for the units working in the DTA.

## **Global Updates**

### **European Union suspends Generalised Scheme of Preferences (GSP) export benefits for India (01 Jan)**

The European Union has suspended export benefits under the Generalised Scheme of Preferences (GSP) for India, under the Commission Implementing Regulation (EU) 2025/1909 which removes benefits for product groups once exports cross a certain threshold over three consecutive years. While the GSP benefits have been amended before, in 2013 and 2023, they have been completely withdrawn this time beginning from 1<sup>st</sup> January 2026 till 31<sup>st</sup> December 2028. Approximately 87% of Indian exports to the EU market including minerals, chemicals, plastics and rubber, textiles and garments, stone and ceramics, precious metals, iron and steel, machinery, and electrical goods, which enjoyed concessional benefits under the GSP, will now be subject to the MFN duty rates.

### **European Commission publishes guidelines under the Foreign Subsidies Regulation (09 Jan)**

The European Commission has issued guidelines for the Foreign Subsidies Regulation (FSR). The FSR is an instrument designed by the EU to curb distortions in the market caused by foreign subsidies received by operators engaged in economic activity within the internal market, in order to create a level-playing field in the EU. The instrument was designed due to the rising concerns over the effects of Chinese subsidies in the internal market of the EU, which could not be mitigated under the available trade remedial provisions. The issued guidelines define the framework for the distortion test, the scope of the economic activity in the Union, link between a subsidy and competitive effects in the EU and the kinds of subsidies (targeted subsidies, non-targeted subsidies and cross-subsidisation, and subsidies considered not liable to improve competitive position).

### **Call for negotiation of agreements for trade of Processed Critical Minerals and their derivative products into the United States under Section 232 (14 Jan)**

The United States declared that processed critical minerals and their derivative products are being imported into its domestic markets in such quantities and under such circumstances that is threatening the U.S. national security under Section 232 of the Trade Expansion Act, 1962. The U.S. is heavily import-dependent on critical minerals

for defense, energy, technology, and critical infrastructure, with weak domestic processing capacity. While the demand for critical minerals is increasing and is expected to increase further in the U.S., the domestic mineral production has declined. The proclamation directs negotiations with trading partners to secure supply chains and reduce reliance on foreign sources, including considering price floors and trade restrictions. If negotiations fail within 180 days, that is by 13<sup>th</sup> July 2026, the President may impose further measures such as tariffs or minimum import price.

**Measures under Section 232 imposed on imports of Semiconductors, Semiconductor Manufacturing Equipment, and their derivative products into the United States (14 Jan)**

The United States declared that semiconductors, semiconductor manufacturing equipment, and derivative products are being imported in such quantities and under such circumstances in the U.S. market, that is threatening the U.S. national security under Section 232 of the Trade Expansion Act, 1962. The capacity in the U.S. to manufacture such products is not enough to cater to the domestic demand. Due to this, the U.S. is dependent upon imports of such products. The proclamation orders negotiations with foreign partners within 90 days to address the threatened impairment of the national security. An immediate 25% tariff is imposed on certain advanced computing chips and derivative products, with exemptions for U.S. data centers, R&D, startups, and other uses that support domestic manufacturing. The U.S. currently produces only about 10% of the semiconductors it consumes, creating major economic and defense vulnerabilities. If negotiations fail or turn ineffective, broader and higher tariffs may be imposed to incentivize domestic semiconductor production.

# Türkiye: An Economy on the Brink of Collapse due to Import Dependency

- **Türkiye was among the fastest growing economies in the world and was able to attract significant foreign direct investment into its economy.**
- **However, lack of dedicated and uninterrupted supply chains held back growth of manufacturing sector, which became heavily reliant on imports.**
- **Depreciation of currency and increasing borrowing rates led to severe inflation, which was further fueled by outflow of foreign exchange for imports of inputs.**
- **Small import-dependent manufacturing sector was forced to purchase inputs in USD, while selling in Lira, leading to unviable businesses. This further aggravated the challenges.**
- **Presence of a self-sufficient manufacturing sector would have provided well-established domestic supply chains for downstream producers and reduced reliance on imports.**

## Introduction to the Turkish economy

At the turn of the 21<sup>st</sup> century, Türkiye emerged as one of the largest developing economies in the world. The Turkish economy was considered an economic success, and the country saw rapid development. It was one of the founding members of the Organization for Economic and Co-operation and Development (OECD). It was also a member of the G-20 nations. In 2018, Türkiye was the 17<sup>th</sup> largest economy in the world. The Turkish economy was akin to the European nations in terms of development and growth. By nominal GDP, Türkiye was the 7<sup>th</sup> largest economy in Europe.

In order to propel the growth of the economy, the Turkish government made significant efforts to attract foreign direct investments into the country. This was also the approach being adopted by other developing countries at the time. The total FDI inflow in 2018 was US \$13.1 billion, which consisted of US \$6 billion net capital.

## Peculiar aspect of the Turkish Economy

However, one distinguishing, and concerning, aspect of the growing Turkish economy was the lack of substantial domestic production in the country. Türkiye has historically

been a predominantly agrarian society, with agricultural activities contributing the largest share in the GDP. Since 2000, Türkiye made a structural shift from an agrarian economy to industrial economy. While manufacturing was promoted, the service sector grew immensely. As noted by the WTO Secretariat in its Trade Policy Review of 2021, the service sector contributed almost 60% to the national GDP of Türkiye, while manufacturing sector accounted for 28%.

In fact, Türkiye was a net importer of a majority of goods and lacked a notable manufacturing sector. The country remained reliant on imports, particularly from the west, to meet its requirements. The major manufacturing activities in the country were centered only around automobiles, machinery, textiles and chemicals. However, such industries lacked backward integration. Each of these industries were heavily dependent on imports for a majority of raw materials and intermediate products. While Türkiye was exporting manufactured goods, it was a net importer. This resulted in significant outflow of foreign exchange from the country, leading to dwindling foreign exchange reserves and widening deficit.

#### Beginning of the economic downfall

Between 2018-2021, the relationship between USA and Türkiye soured due to various unforeseen geopolitical events. In response, USA imposed multiple economic sanctions on Türkiye, which adversely impacted exports from the country. As a direct consequence, the value of Turkish Lira depreciated sharply. This resulted in an inflation in the economy, which continued to increase over the period.

In cases where an economy is suffering from severe inflation, the Central Banks usually increase the borrowing rate. This contractionary monetary policy makes borrowing more expensive and saving more attractive, which reduces the money supply in the economy, slowing down spending, and helps to curb inflation. However, the Turkish Government took an opposite approach. Considering the significant foreign investment in the country, the Government was under pressure to maintain such investments. As a result, the Government initially maintained the interest rates instead of increasing the same due to which the inflation increased. Later, the Government slashed the borrowing rates in the country, due to which the inflation further increased rapidly.

The borrowing rate cuts coupled with the continuously depreciating Lira resulted in very high inflation in the economy. By 2023, the inflation rate in Türkiye reached an

all-time high of 75%. The high inflation caused significant damage to the Turkish economy. While the average wages did not increase, goods and services became more expensive and unaffordable. The prices of various goods, including consumer goods, changed daily and caused massive disruptions in the lives of common people which were unable to budget for monthly expenses.

The largest burden of the economic downfall was faced by the small import-dependent manufacturing sector. While the businesses were selling their products in Turkish market in the highly depreciated Lira, they were importing raw materials and inputs in US dollars. While the businesses placed purchase orders based on the exchange rate prevailing on the day of the order, the actual payable amount increased significantly due to the continuous depreciation of Lira. Further, due to the complete failure of the Turkish banking system, many input suppliers refused to accept payments in the form of guarantees or credits. In contrast, the Turkish producers were required to pay cash in advance or cash against documents for purchasing any inputs.

The cumulative effects of high inflation, depreciating currency, reliance on imports and lack of focus on domestic manufacturing industry resulted in a major economic crisis for the once rising nation.

#### Role of the domestic industry in the economy

The Turkish economy has been engulfed in a major economic crisis since 2018, due to the unforeseen and unanticipated shift in geopolitical affiliations and imposition of economic sanctions by major trading partners. However, one of the primary causes of the economic crisis was the absence of a self-sufficient domestic manufacturing sector.

The most prominent manufacturing sectors in Türkiye are automobiles, textiles and apparels, machinery and electrical equipment, chemicals and pharmaceuticals. However, the domestic industry for each of these products is highly dependent on imports of raw materials, inputs and energy.

<b>Sector</b>	<b>Imported raw material</b>
Automotive	Engines, transmissions, specialized electronics, high-grade steel
Machinery	Advanced tech components, control systems, high-precision parts
Textiles	Raw cotton, synthetic fibers, specialty dyes
Chemicals	Crude oil and organic chemical compounds for plastics and medicine

The Turkish Government did not promote or support the domestic manufacturing of raw material and inputs which would have ensured uninterrupted access to the downstream manufacturing industry. In face of severe inflation, the manufacturing sector was forced to continue to import goods at very high prices, while not being able to sell their products at remunerative prices. This added to the stress of an already failing economy.

In such a situation, presence of a self-sufficient manufacturing sector could have helped in cushioning and alleviating the impact of the economic crisis. Support to the manufacturing sector would have resulted in well-established domestic supply chains for downstream producers, which would have enabled major value addition by the Turkish industry. The producers would have purchased the raw material and inputs in Lira, and would have then sold the finished products in the domestic market also in Lira or exported the same in US Dollars. As a result, the reliance on imports would have reduced and foreign exchange reserves could have been conserved. Most importantly, the manufacturing sector would have been immune to the unforeseen geopolitical events and would have, in turn, assisted the revival of the economy.

#### Lessons to be learnt

The unfortunate decline of the Turkish economy has spelled out a critical lesson for all developing nations – self-sufficiency. It is a very well-known fact that an industry cannot operate independently and necessarily requires access to uninterrupted access to upstream inputs, as well as remunerative downstream buyers. Each economy must ensure that domestic manufacturing is allowed adequate support, to allow it to flourish and propel the country towards self-sufficiency. The example of Türkiye stands to remind that the lack of a self-sufficient manufacturing sector could, indeed, spell impending doom for an economy in a very unpredictable geo-political environment.

- Ojasvi Nautiyal, Principal Associate  
Salil Arora, Principal Associate

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*The views expressed in this article are of the authors alone. TPM Consultants does not maintain any views on the subject matter and cannot be held accountable for the opinions expressed by the authors.*

# Foreign Trade Policy

## **Launch of Interest Subvention Scheme for Pre-Shipment and Post-Shipment Export Credit (02 Jan)**

The Directorate General of Foreign Trade launched the Interest Subvention Scheme for Pre-Shipment and Post-Shipment Export Credit with immediate effect to facilitate improved access to pre-and post-shipment rupee export credit for MSME exporters. The Scheme reduces the cost of credit and provides a transparent interest-relief mechanism. This would help enhance liquidity for MSME exporters and enable them to meet working-capital requirements efficiently. The Scheme is being operationalised through the Reserve Bank of India on a pilot basis. Some of the key features include:

- i. The rate of interest subvention @ 2.75% per annum will be available on Pre Shipment Rupee Export Credit and Post Shipment Rupee Export Credit for Micro, Small, and Medium Enterprises.
- ii. An MSME exporter may receive a maximum subvention benefit of ₹ 50 lakhs per financial year.
- ii. Support is limited to export credit extended by lending institutions in accordance with the Master Directions issued by the Reserve Bank of India, on Pre-Shipment and Post-Shipment Export Credit.
- iv. The Scheme will be applicable to MSME manufacturing exporters and merchant exporters under the notified positive list of HSN six-digit tariff lines.

For further details on the guidelines, list of HSN tariff lines and procedure, kindly refer to the [link](#) herein.

## **Launch of Collateral Support for Export Credit (02 Jan)**

The Directorate General of Foreign Trade launched the Collateral Support for Export Credit with immediate effect. The intervention aims to improve access to formal export credit for Micro, Small and Medium Enterprises (MSMEs), particularly exporters facing constraints in providing collateral security. Under this component, eligible MSME exporters may avail credit guarantee support for export-related working capital loans extended by member lending institutions, in accordance with the notified ceilings and coverage parameters. The intervention is being operationalised through the Credit Guarantee Fund Trust for Micro and Small Enterprises (CGTMSE) on a pilot basis. Some of the key features include:

- i. Credit guarantee coverage of up to 85% for Micro and Small exporters and 65% for Medium exporters, subject to notified ceilings;
- ii. Maximum guarantee limit of ₹10 crore per exporter for FY 2025–26;
- iii. Coverage limited to export-linked working capital credit;
- iv. Applicability to MSME exporters engaged in merchandise exports under the notified positive list of HSN six-digit tariff lines.

For further details on the guidelines, list of HSN tariff lines and procedure, kindly refer to the [link](#) herein.

### **Amendment in import policy condition of Low Ash Metallurgical Coke under Chapter 27 of ITC (HS), 2022, Schedule-I (Import Policy) (03 Jan)**

The Directorate General of Foreign Trade has notified the amendment in import policy condition of Low Ash Metallurgical Coke. Import of Low Ash Metallurgical Coke (having ash content below 18%), including coke fines / coke breeze and ultra-low phosphorous metallurgical coke, falling under HS codes 27 04 0020, 27 04 0030, 27 04 0040 and 27 04 0090 is “Free” with immediate effect.

### **Amendment in import policy condition of various products under Chapter 29 of ITC (HS), 2022, Schedule-1 (Import Policy) (29 Jan)**

The Directorate General of Foreign Trade has notified the amendment in import policy condition to prescribe that the imports of the following products shall be restricted if imported at a CIF value less than that prescribed hereinbelow.

Product	HS Code	Minimum import price (₹ per kg)
Penicillin G-potassium (PEN-G)	2941 10 10	2,216
6-APA	2941 10 50	3,405
Amoxicilline Trihydrate	2941 10 30	2,733

The restrictions shall apply for a period of one year with immediate effect. However, this restriction will not be applicable for imports by 100% Export Oriented Units (EOUs), units in the SEZs and imports under the Advance Authorisation Scheme, subject to the condition that the imported inputs are not sold into the Domestic Tariff Area (DTA).

# Trade Agreements

## Indian Updates

### **India and the European Union sign free trade agreement**

India and the European Union conclude their largest-ever free trade agreement, being termed as the “mother of all deals”. The Agreement immediately eliminates tariffs on Indian exports for 70.4% tariff lines, covering textiles, leather and footwear, tea, coffee, spices, sports goods, toys, gems and jewellery. The tariffs will phase out for 20.3% of tariff lines in the next 5 years, which will impact marine products, processed food items, arms and ammunition. The Agreement also introduces tariff rate quotas for cars, steel and certain shrimps/ prawn products. Meanwhile, the European exports would be enjoy benefit of extensive tariff reduction for exports of automobiles, machinery, aircraft, wine, spirits and olive oil. India has offered to immediately eliminate tariffs on 40.6% tariff lines. In terms of trade in services, India has offered commitments over 102 sub-sectors covering professional services, business, telecommunications, maritime, financial, and environmental services. On the other hand, the European Union has committed to grant better market access to IT/ITeS, professional services, education, and other high-tech services from India.

## Global Updates

### **The Philippines and the United Arab Emirates sign Comprehensive Economic Partnership Agreement**

The Philippines and the United Arab Emirates have signed a landmark Comprehensive Economic Partnership Agreement (CEPA). The Agreement will expand market access and strengthen investment flows. It will also boost exports of bananas, pineapples, canned tuna, electronics, and machinery from Philippines at reduced tariffs. The Agreement is also expected to enhance opportunities for services sectors, tourism, healthcare, education, construction, engineering, and professional services, while also enhancing prospects for MSMEs, digital trade, and sustainable development-related sectors.

### **The United Arab Emirates and Nigeria sign a Comprehensive Economic Partnership Agreement**

The United Arab Emirates and Nigeria have signed a Comprehensive Economic Partnership Agreement (CEPA). The Agreement aims to eliminate tariffs on exports of 7,000 products, including fish and seafood, oil seeds, cereals, cotton, pharmaceuticals and chemicals. The UAE has committed to phase out tariffs on machinery, vehicles, electrical equipment, apparel, and furniture over the next five years. Nigeria is expected to eliminate tariffs on over 6,000 products, out of which 60% products will face immediate elimination, with the remainder to be phased over the next five years.

### **The European Union and Mercosur bloc sign free trade agreement**

The European Union and the Mercosur bloc, comprising of Argentina, Brazil, Paraguay and Uruguay, have signed a long-awaited free trade agreement, after 25 years of negotiations. The Agreement is expected to eliminate 90% of tariff on traded goods between the two blocs. European businesses are expected to gain better market access for cars, wine, and cheese, while Mercosur agricultural products such as beef, poultry, sugar, rice, honey, and soybeans will enter the EU market easily.

# BIS Updates

## **Amendment of Standard for certain products (02 Jan)**

The Bureau of Indian Standards has notified the amendment of certain Standards, including the following, with effect from 29<sup>th</sup> December 2025. However, the previous unamended Standard will remain in force concurrently till 28<sup>th</sup> June 2026. For a full list of products, please refer to the attached [link](#).

- **IS 737: 2024** Wrought Aluminium and Aluminium Alloy Sheet and Strip for General Engineering Purposes — Specification (Fifth Revision)
- **IS 13630 (Part 15): 2019** Ceramic Tiles — Methods of Test, Sampling and Basis for Acceptance Part 15 Sampling and Basis for Acceptance (First Revision).
- **IS 17682: 2021** Aluminium Composite Panel — Specification.
- **IS 2760: 2025** Steel Chain Sling — Specification (Second Revision)

## **Withdrawal of Standards for certain Copper Products (06 Jan)**

The Bureau of Indian Standards has notified the withdrawal of certain Standards, including **IS 7576 – 1974** Specification for Bunched Enamelled Copper Wires with Silk Covering, with effect from 18<sup>th</sup> December 2025. For a full list of products, please refer to the attached [link](#).

## **Amendment of Standards for certain Textiles Machinery and Floor Covering (06 Jan)**

The Bureau of Indian Standards has notified the amendment of certain Standards, including the following, with effect from 29<sup>th</sup> December 2025. However, the previous unamended Standard will remain in force concurrently till 28<sup>th</sup> June 2026. For a full list of products, please refer to the attached [link](#).

- **IS 5884: 2020** Textile Floor Covering — Hand Tufted Carpets — Specification (Third Revision)
- **IS 17361 (Part 2): 2020 ISO 11111-2: 2005** Textile Machinery — Safety Requirements Part 2 Spinning Preparatory and Spinning Machines
- **IS 17361 (Part 3): 2020 ISO 11111-3: 2005** Textile Machinery — Safety Requirements Part 3 Nonwoven Machinery
- **IS 17361 (Part 5): 2020 ISO 11111-5: 2005** Textile Machinery — Safety Requirements Part 5 Preparatory Machinery to Weaving and Knitting
- **IS 17361 (Part 6): 2020 ISO 11111-6: 2005** Textile Machinery — Safety Requirements Part 6 Fabric Manufacturing Machinery

- **IS 17361 (Part 7): 2020 ISO 11111-7: 2005** Textile Machinery — Safety Requirements Part 7 Dyeing and Fin
- **IS 17362 (Part 1): 2020 ISO 9902-1: 2001** Textile machinery — Noise Test Code Part 1 Common Requirements
- **IS 17362 (Part 7): 2020 ISO 9902-7: 2001** Textile Machinery — Noise Test Code Part 7 Dyeing and Finishing Machinery

### **Substitution of Standard for Metal products (13 Jan)**

The Bureau of Indian Standards has notified the substitution of certain Standards, including the following, effective 05<sup>th</sup> January 2026. However, the previous unamended Standard will remain in force concurrently till 05<sup>th</sup> July 2026. For a full list of products, please refer to the attached [link](#).

- **IS 713: 2026** Zinc-Aluminium Alloy Ingots Intended for Foundry and Die Castings — Specification (Third Revision)
- **IS 1170: 2026** Ferrochromium — Specification (Third Revision)
- **IS 19474: 2026** Hot-dip Aluminium and Aluminium-Silicon Coated Steel Sheet and Strip — Specification

### **Withdrawal of Standard for certain types of Pipes and for marking purity of Silver (20 Jan)**

The Bureau of Indian Standards has notified the withdrawal of the following Standards with effect from 16<sup>th</sup> January 2026.

- **IS 5433 – 1969** Specification for Oil Well Steel Casing Pipes and Couplings
- **IS 6647 – 1972** Specification for Drill Pipes for Use in Oil or Natural Gas Wells
- **IS 9443 – 1980** Guidelines for Marking Purity of Silver-on-Silver Articles/Ornaments

# Non-Tariff Measures

## Indian Updates

### **Quality Control Order amended for 3 different types of woven sacks (05 Jan)**

The Ministry of Chemicals and Fertilisers has amended the Quality Control Orders for the following HDPE/ PP packaging bags. The amended Orders shall come into force on 6<sup>th</sup> October 2026. The amended Orders are as follows.

- The Textiles — High-Density Polyethene (HDPE)/ Polypropylene (PP) Woven Sacks for Packaging of 50 kg Cement (Quality Control) Amendment Order, 2026.
- The Textiles — Polypropylene (PP) Woven, Laminated, Block Bottom Valve Sacks for Packaging of 50 kg Cement (Quality Control) Amendment Order, 2026.
- The Textiles — Polypropylene (PP)/ High Density Polyethylene (HDPE) Laminated Woven Sacks for Mail Sorting, Storage, Transport and Distribution (Quality Control) Amendment Order, 2025.

### **Quality control order for Flux Cored Solder Wire Rescinded (12 Jan)**

The Ministry of Commerce and Industry has rescinded the Flux Cored Solder Wire (Quality Control) Order, 2023, issued by the Department for Promotion of Industry and Internal Trade, with immediate effect. The Quality Control Order stands withdrawn, without affecting any actions already taken before its rescission.

### **Quality control order for Electrical Accessories Amended (13 Jan)**

The Department for Promotion of Industry and Internal Trade (DPIIT) has amended the Electrical Accessories (Quality Control) Order, 2023. This Order may be called the Electrical Accessories (Quality Control) Amendment Order, 2026. It shall come into force with immediate effect.

## Global Updates

### China

#### **Draft National Standard on Performance Inspection of Metal IBCs in China**

The State Administration for Market Regulation (Standardization Administration of the P.R.C.) has issued a draft National Standard titled “Specification for Performance Inspection of Metal Intermediate Bulk Containers for Dangerous Goods.” This

Regulation sets out the definitions, requirements, testing methods, and inspection rules for metal intermediate bulk containers (IBCs) used to store and transport dangerous goods. The purpose of this Standard is to prevent deceptive practices, protect consumers, and ensure human health and safety. The proposed date of adoption is yet to be determined, and the regulation will come into force 3 months after the approval. The stakeholders may submit their comments within 60 days from the notification dated 28<sup>th</sup> January 2026, that is, by 29<sup>th</sup> March 2026.

## **United States of America**

### **Draft Rule on Delisting 2-Butoxyethyl Benzoate as Hazardous Air Pollutant in the USA**

The Environmental Protection Agency (EPA) has issued a proposed Rule titled “Petition to Delist Hazardous Air Pollutant: 2-Butoxyethyl Benzoate (2-BEB)”. This Rule proposes to remove the chemical ‘2-Butoxyethyl benzoate (2-BEB)’ from the list of hazardous air pollutants (specifically the glycol ethers category) under the Clean Air Act, as the agency has found adequate data on health and environmental effects to support this removal. The purpose of this Rule is to generate cost savings and enhance productivity. The proposed date of adoption is yet to be determined but the Rule will come into force 12 months after approval. Stakeholders may submit comments by 20<sup>th</sup> February 2026.

# Trade Remedial Actions

## Indian Updates

### Chapter 29 – Organic Chemicals

#### **Extension of anti-dumping duty on imports of Normal Butanol or N-Butyl Alcohol from European Union, Malaysia, Singapore, South Africa and United States of America. (08 Jan)**

The Central Government, on 8<sup>th</sup> January 2026, extended the anti-dumping duty on imports of Normal Butanol or N-Butyl Alcohol from European Union, Malaysia, Singapore, South Africa and United States of America until 12<sup>th</sup> July 2026, pursuant to a review initiated vide Notification No. 7/16/2025-DGTR dated 27<sup>th</sup> September 2025. The anti-dumping duty was originally imposed vide Notification No. 21/2021-Customs (ADD), dated 12<sup>th</sup> April 2021.

#### **Initiation of sunset review of anti-dumping duty on imports of Phthalic Anhydride from China, Indonesia, South Korea and Thailand. (27 Jan)**

The DGTR has initiated a sunset review of anti-dumping duty on imports of Phthalic Anhydride from China, Indonesia, South Korea and Thailand pursuant to an application filed by IG Petrochemicals Limited, Thirumalai Chemical Industries Limited and TCL Intermediates Private Limited. The Authority noted that there exists prima facie evidence which shows likelihood of continuation or recurrence of dumping and injury to the domestic industry in the event of cessation of anti-dumping duty. The dumped imports have prevented the domestic industry from increasing prices to a level sufficient to recover full costs and in order to earn a reasonable rate of return. The applicants are suffering from financial losses, significant decline in cash profits, and negative return on capital employed.

#### **Preliminary findings issued in the anti-dumping investigation into imports of Ethambutol Hydrochloride from China and Thailand. (30 Jan)**

The DGTR issued preliminary findings in the anti-dumping investigation into imports of Ethambutol Hydrochloride originating in or exported from China and Thailand. The Authority preliminarily determined that the imports of the subject goods from the subject countries have increased in absolute and relative terms over the injury period. The subject imports have suppressed and depressed the prices of the domestic industry.

The market share of the imports from subject countries have increased, while that of the domestic industry has declined, despite the domestic industry having sufficient capacity to cater to entire demand in India. The domestic industry has suffered losses, cash losses and recorded negative returns in the period of investigation. Furthermore, the imposition of anti-dumping duty was found to be in the interest of public at large as the subject goods are used in manufacturing of anti-tuberculosis medication and there is a need to have varied sources of supply including domestic sources. Accordingly, the Authority found that there was a need for imposition of provisional duties.

### **Chapter 39 – Plastics and articles thereof**

#### **Extension of anti-dumping duty on imports of Flexible Slabstock Polyol of molecular weight 3000-4000 from Saudi Arabia and the UAE. (02 Jan)**

The Central Government extended the anti-dumping duty on the imports of Flexible Slabstock Polyol of molecular weight 3000-4000 from Saudi Arabia and the UAE until 17<sup>th</sup> June 2026, pursuant to a sunset review initiated vide Notification No. 7/03/2025-DGTR dated 18<sup>th</sup> March 2025. The original anti-dumping duty was imposed vide Notification No. 20/2021-Customs (ADD) dated 5<sup>th</sup> April 2021.

### **International Updates**

#### **Chapter 07 – Edible vegetables and certain roots and tubers**

##### **United States of America**

- Initiation of anti-dumping and anti-subsidy investigations into imports of Fresh Mushrooms from Canada. (08 Jan)

#### **Chapter 28 – Inorganic chemicals**

##### **Trade remedial actions against India**

##### **European Union**

*Final affirmative determination issued in the anti-dumping investigation into imports of Barium Carbonate from China and India. (12 Jan)*

The European Commission issued its final determination in anti-dumping investigation, which was initiated on 20<sup>th</sup> December 2024. The period of investigation

for the investigation was 1<sup>st</sup> October 2023 to 30<sup>th</sup> September 2024. The Commission determined a dumping margin of 4.6% for the Vishnu Barium Private Limited and all other Indian exporters, while a dumping margin in the range of 72.6% - 83.9% was determined for exporters from China.

#### United States of America

*Initiation of anti-dumping investigation into imports of Chromium Trioxide from India and Türkiye, and anti-subsidy investigation into imports from India. (05 Jan)*

The USDOC has initiated anti-dumping and anti-subsidy investigations into imports of subject goods from India. The period of investigation for the anti-dumping investigation is 1<sup>st</sup> July 2024 to 30<sup>th</sup> June 2025, and that for anti-subsidy investigation is 1<sup>st</sup> January 2024 to 31<sup>st</sup> December 2024. The application requesting for initiation of investigation was filed by American Chrome & Chemicals Inc.

#### Other trade remedial actions

##### China

- Initiation of anti-dumping investigation into imports of Dichlorosilane from Japan. (07 Jan)
- Continuation of anti-dumping duty on imports of Solar-Grade Polysilicon from South Korea and USA, and anti-subsidy duty on imports from USA. (13 Jan)

##### European Union

- Affirmative determination issued in the sunset review of anti-dumping duty on imports of Peroxosulphates (Persulphates) from China. (15 Jan)
- Final affirmative determination issued in the anti-dumping investigation into imports of Fused Alumina from China. (15 Jan)

##### United States of America

- Continuation of anti-dumping duty on imports of Silicon Metal from Russia. (15 Jan)

## Chapter 29 – Organic chemicals

### Trade remedial actions against India

#### United States of America

*Imposition of anti-dumping and anti-subsidy duty into imports of Hexamethylenetetramine from India. (07 Jan)*

The USDOC and USITC have determined that the exporters from India were dumping the subject goods in USA, and received countervailable subsidies. Such dumped and subsidized imports have caused injury to the industry in USA. The USDOC determined dumping margin in the range of 5.11%-105.76% on exporters from India. Further, subsidy rate ranging between 2.34% to 139.57% was determined for the Indian exporters.

#### Other trade remedial actions

#### Australia

- Initiation of anti-circumvention investigation concerning anti-dumping duty on imports of 2,4-Dichlorophenoxyacetic Acid from China, when imported from Malaysia. (07 Jan)

#### Türkiye

- Initiation of safeguard investigation into imports of Terephthalic Acid. (06 Jan)

#### United States of America

- Preliminary affirmative determination issued by the USDOC in the anti-dumping investigation into imports of certain Monomers and Oligomers from South Korea. (05 Jan)
- Preliminary affirmative determination issued by the USDOC in the anti-subsidy investigation into imports of L-Lysine from China. (22 Jan)
- Final affirmative determination issued by the USDOC in the anti-subsidy investigation into imports of certain Monomers and Oligomers from Taiwan. (26 Jan)

## **Chapter 31 – Fertilizers**

### European Union

- Affirmative determination issued in the sunset review of anti-dumping duty on imports of Urea and Ammonium Nitrate from Russia, USA, and Trinidad and Tobago. (06 Jan)

### United Kingdom

- Continuation of anti-dumping duty on imports of Ammonium Nitrate from Russia. (22 Jan)

## **Chapter 34 – Soap, Organic Surface-Active Agents, Washing Preparations, Lubricating Preparations, Artificial Waxes, Prepared Waxes, Polishing or Scouring Preparations, Candles and Similar Articles**

### European Union

- Final affirmative determination issued in the anti-dumping investigation into imports of Candles and Tapers from China. (23 Jan)

## **Chapter 37 – Photographic and cinematographic goods**

### South Korea

- Initiation of sunset review of anti-dumping duty on imports of Flat Photographic Plates for Printing from China. (08 Jan)

## **Chapter 38 – Miscellaneous chemical products**

### United Kingdom

- Initiation of sunset review of anti-dumping and anti-subsidy duty on imports of Biodiesel from U.S. (including Biodiesel consigned from Canada). (28 Jan)

## **Chapter 39 – Plastics and articles thereof**

### Brazil

- Initiation of anti-dumping investigation into imports of Phenolic Resins from China. (15 Jan)

### Madagascar

- Initiation of safeguard investigation into imports of Plastic Tubes, Pipes, Hoses and Fittings. (07 Jan)

### Türkiye

- Preliminary affirmative determination issued in the safeguard investigation into imports of Polyethylene Terephthalate Resin. (07 Jan)

### United States of America

- Revocation of anti-dumping duty on imports of Polyethylene Terephthalate Sheets from South Korea. (12 Jan)
- Final affirmative determination issued by the USDOC in the anti-dumping and anti-subsidy investigations into imports of Polypropylene Corrugated Boxes from China. (22 Jan)
- Preliminary affirmative determination issued by the USDOC in the anti-dumping investigation into imports of Fiberglass Door Panels from China. (22 Jan)

## **Chapter 40 – Rubber and articles thereof**

### United States of America

- Initiation of sunset review of anti-dumping and anti-subsidy duties on imports of Passenger Vehicle and Light Truck Tires from China. (02 Jan)

## **Chapter 44 – Wood and articles of wood; wood charcoal**

### Thailand

- Final affirmative determination issued in the anti-dumping investigation into imports of Fiberboard from Vietnam. (19 Jan)

### United States of America

- Initiation of sunset review of anti-dumping and anti-subsidy duties on imports of Wood Mouldings and Millwork Products from China. (02 Jan)
- Preliminary affirmative determination issued by the USDOC in the anti-subsidy investigation into imports of Hardwood and Decorative Plywood from China, Indonesia and Vietnam. (22 Jan)

## **Chapter 48 – Paper and paperboard; articles of paper pulp, of paper or of paperboard**

### Türkiye

- Initiation of safeguard investigation into imports of other Paper and Paperboard. (06 Jan)

### United States of America

- Continuation of anti-dumping and anti-subsidy duties on imports of Lightweight Thermal Paper from China. (23 Jan)
- Imposition of anti-dumping and anti-subsidy duties on imports of Thermoformed Molded Fiber Products from China and Vietnam. (27 Jan)

## **Chapter 54 – Man-made filaments; strip and the like of man-made textile materials**

### Türkiye

- Initiation of sunset review of anti-dumping duty on imports of Polyester Textured Yarn from China, Indonesia, Malaysia, Thailand and Vietnam. (29 Jan)
- Initiation of sunset review of anti-dumping duty on imports of Woven Fabrics of Synthetic Filament Yarn (for clothing) from China, Malaysia, South Korea, Taiwan and Thailand. (27 Jan)

## **Chapter 68 – Articles of stone, plaster, cement, asbestos, mica or similar materials**

### Trade remedial actions against India

### United States of America

*Continuation of anti-dumping and anti-subsidy duties on imports of certain Quartz Surface Products from India and Türkiye. (15 Jan)*

The USDOC and USITC have determined that revocation of anti-dumping and anti-subsidy duties on imports of subject goods would likely lead to continuation or recurrence of dumping and imports of subsidized goods, which is likely to cause material injury to the U.S. Industry. Anti-dumping and anti-subsidy duties were originally imposed in June 2020.

## Other trade remedial actions

### United Kingdom

- Initiation of anti-subsidy investigation into imports of Creamy/White Limestone from Portugal. (14 Jan)

## **Chapter 72 – Iron and steel**

### Trade remedial actions against India

#### Canada

*Final affirmative determination issued by the CITT in the anti-dumping investigation into imports of certain Carbon and Alloy Steel Wire from China, India, Italy, Malaysia, Portugal, Spain, Taiwan, Thailand, Türkiye and Vietnam. (02 Jan)*

The CITT has determined that dumping of subject goods by exporters from India and other countries has caused material injury to the domestic industry in Canada. The CBSA had earlier determined that the Indian exporters were dumping the subject goods in Canada. Since no Indian exporter participated in the investigation, the CBSA determined a dumping margin of 158.9% for all Indian exporters. The CBSA will now issue a notice for imposition of duties.

### Other trade remedial actions

#### Canada

- Initiation of sunset review of anti-dumping duty on imports of certain Hot-rolled Carbon Steel Plates and High-strength Low-alloy Steel Plates from Taiwan and Germany. (06 Jan)
- Final determination issued by the CITT in the anti-dumping investigation into imports of Steel Strapping from China, South Korea, Türkiye and Vietnam; and anti-subsidy investigation into imports from China. (14 Jan)

#### Morocco

- Initiation of sunset review of safeguard duty on imports of Hot-Rolled Sheets. (26 Jan)

### Thailand

- Affirmative determination issued in the sunset review of anti-dumping duty on imports of Cold Reduced Carbon Steel in Coils and not in Coils from China, Taiwan and Vietnam. (23 Jan)

### United Kingdom

- Initiation of sunset review of anti-dumping duty on imports of Wire Rods from China. (28 Jan)

### United States of America

- Affirmative determination issued by the USDOC in the sunset review of anti-dumping duty on imports of Ferrovanadium from China and South Africa. (08 Jan)
- Affirmative determination issued by the USDOC in the sunset review of anti-dumping duty on imports of Carbon and certain Alloy Steel Wire Rods from Brazil, Indonesia, Mexico, Moldova, and Trinidad and Tobago, and anti-subsidy duty on imports from Brazil. (09 Jan)
- Preliminary affirmative determination issued by the USDOC in the anti-subsidy investigation into imports of Steel Concrete Reinforcing Bars from Algeria, Egypt, Vietnam. (13 Jan)
- Continuation of anti-dumping and anti-subsidy duties on imports of Carbon Alloy Steel Wire Road from China. (27 Jan)

## **Chapter 73 – Articles of iron or steel**

### Trade remedial actions against India

#### United States of America

*Affirmative determination issued by the USDOC in the sunset review of anti-dumping and anti-subsidy duties on imports of certain Oil Country Tubular Goods from India and Türkiye. (08 Jan and 09 Jan)*

The USDOC has determined that revocation of anti-dumping and anti-subsidy duties on imports of subject goods from India and Türkiye would likely lead to continuation and recurrence of dumping and imports of subsidized goods from India. The anti-dumping duties ranging between 2.05% to 9.91%, and anti-subsidy duties ranging between 13.87% to 27.77% on Indian imports were originally imposed in 2014 and have been continued since then.

## Other trade remedial actions

### Australia

- Initiation of safeguard investigation into imports of Fabricated Structural Steel. (23 Jan)

### Canada

- Final affirmative determination issued by the CBSA in the anti-dumping and anti-subsidy investigations into imports of Cast Iron Soil Pipe from China. (07 Jan)
- Initiation of anti-dumping and anti-subsidy investigations into imports of Forged Grinding Media from China. (09 Jan)

### United Kingdom

- Initiation of sunset review of anti-dumping duty on imports of Welded Tubes and Pipes from Belarus and China. (27 Jan)

### United States of America

- Initiation of sunset review of anti-dumping duty on imports of Prestressed Concrete Steel Wire Strand from Argentina, Columbia, Egypt, Indonesia, Italy, Malaysia, the Netherlands, Saudi Arabia, South Africa, Spain, Taiwan, Tunisia, Türkiye, Ukraine and UAE, and anti-subsidy duty on imports from Türkiye. (02 Jan)
- Affirmative determination issued by the USDOC in the sunset review of anti-dumping duty on imports of Light-Walled Rectangular Pipes and Tubes from China, Mexico, South Korea and Türkiye, and anti-subsidy duty on imports from China. (08 Jan and 09 Jan)
- Affirmative determination issued by the USDOC in the sunset review of anti-dumping duty on imports of Utility Scale Wind Towers from Canada, Indonesia, South Korea and Vietnam, and anti-subsidy duty on imports from Canada and Vietnam. (08 Jan)
- Continuation of anti-dumping duty on imports of Welded Large Diameter Line Pipe from Japan. (16 Jan)
- Imposition of anti-dumping and anti-subsidy duties on imports of Overhead Door Counterbalance Torsion Springs from China. (23 Jan)

## **Chapter 84 – Nuclear reactors, boilers, machinery and mechanical appliances; parts thereof**

### **Argentina**

- Initiation of anti-dumping investigation into imports of Washing Machines from China. (14 Jan)

### **United States of America**

- Affirmative determination issued by the USDOC in the sunset review of anti-dumping duty on imports of Tow-Behind Lawn Groomers and certain parts thereof from China. (08 Jan)
- Preliminary affirmative determination issued by the USDOC in the anti-dumping investigation into imports of Lattice Boom Crawler Cranes from Japan. (16 Jan)
- Imposition of anti-dumping and anti-subsidy duties into imports of Slag Pots from China. (26 Jan)

## **Chapter 87 – Vehicles other than railway or tramway rolling-stock, and parts and accessories thereof**

### **United States of America**

- Initiation of anti-dumping and anti-subsidy investigations into imports of Van Type Trailers and Sub-Assemblies thereof from Canada, China and Mexico. (26 Jan)
- Initiation of anti-circumvention investigation concerning anti-dumping and anti-subsidy duties on imports of certain Brake Drums from China, by imports of Compacted Graphite Iron (CGI) Brake Drums imported from China. (27 Jan)

## **Chapter 96 – Miscellaneous manufactured articles**

### **Brazil**

- Initiation of sunset review of anti-dumping duty on imports of Pencils from China. (19 Jan)

# About Us

TPM was founded in 1999 at a time when the practice of trade remedies in India was in its infancy and there were only a handful of firms practicing in the field. TPM was the first firm to deal exclusively in the domain of trade remedies. Today, we have completed our journey of 26 years. TPM began its journey with a staff of merely 2 professionals. Today, it has a team of more than 65 professionals including Cost Accountants, Chartered Accountants, Company Secretaries, Lawyers, Engineers and MBAs.

In its first two decades, TPM was primarily focused on assisting domestic producers suffering due to cheap and unfair imports into India and in other countries to avail the necessary protection under the umbrella of the WTO Agreements. TPM also represents exporters and importers facing trade remedial investigations in India or other countries. TPM has assisted exporters facing investigations in a number of jurisdictions such as Argentina, Brazil, Canada, China, Egypt, the European Union, the Gulf Cooperation Council, Indonesia, Mexico, South Korea, Taiwan, Türkiye and the United States of America.

In the last few years, TPM's reputation has grown in other fields of non-tariff barriers, policy advocacy matters, foreign trade policy, business consulting and litigation. Its vast experience with industry leaders in various sectors puts it in a unique position to effectively and efficiently handle matters relating to policy advocacy before various government forums. This has enabled the TPM team to help industry find innovative solutions to complex problems.

For more details about the contents of this newsletter, kindly contact [aastha@tpm.in](mailto:aastha@tpm.in).

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